

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2001-209-C - ORDER NO. 2011-78

JANUARY 25, 2011

IN RE: Application of BellSouth)	ORDER APPROVING
Telecommunications, Incorporated d/b/a)	MODIFICATIONS TO
AT&T South Carolina to Provide In-Region)	PERFORMANCE
InterLATA Services Pursuant to Section 271)	MEASUREMENT PLAN
of the Telecommunications Act of 1996)	

This matter comes before the Public Service Commission of South Carolina ("Commission") on the Motion of BellSouth Telecommunications, Inc. d/b/a AT&T South Carolina ("AT&T" or "the Company") for modifications to the AT&T South Carolina Service Quality Measurement Plan and South Carolina Self-Effectuating Enforcement Mechanisms Administrative Plan (collectively, "proposed SQM/SEEM Plan"). The South Carolina SQM/SEEM Plan is subject to periodic review and has been modified periodically to reflect necessary updates to the performance measures as well as the remedies provided in the Plan. Exhibit A to the Company's Application lists the proposed changes to the SQM Plan, and Exhibit B to the Company's Application lists the proposed changes to the SEEM Plan. Because of the reasoning below, we adopt the changes as filed, and the proposed SQM/SEEM Plan as approved will supersede and replace the current SQM/SEEM Plan.

The proposed SQM/SEEM Plan as set forth in Exhibits A and B to the Company's Application includes all the changes to the Florida SQM/SEEM Plan that the

Florida Commission approved in the course of its most recent annual review of the Florida SQM/SEEM Plan. During the SQM/SEEM review process in Florida, AT&T and CompSouth entered into a Settlement Agreement that they submit is a reasonable compromise of all issues. This Settlement Agreement is attached to the Company's Application as Exhibit C, and its various terms and provisions are incorporated and documented where appropriate in the proposed SQM/SEEM Plan. AT&T also entered into agreements with other parties in Florida. The North Carolina Utilities Commission has also approved the proposed changes.

According to AT&T, the proposed SQM/SEEM Plan changes are principally directed to streamline the present Plan, provide for certainty of the Plan over time and continue to provide adequate assurance that AT&T will deliver the expected performance to its wholesale customers. The proposed changes to the SQM/SEEM Plan include:

1) **Elimination of Tier 2 remedies** – According to AT&T, Tier 2 remedies were initially implemented to provide additional assurance, beyond Tier 1 remedies, that AT&T structured and implemented its OSS and associated processes in a way that enhanced the competitive landscape while preventing “backsliding.” With competition firmly entrenched, also according to AT&T, Tier 2 remedies no longer serve their intended purpose and should be eliminated. Tier 2 remedies have been eliminated by all states comprising AT&T's Midwest, West, and Southwest regions.

2) **Increases to Tier 1 remedies** – AT&T's proposal states that Tier 1 remedy payments will increase by 20% to 35%, depending on the metric, when the SQM has been missed for three consecutive months or more, except for billing and collocation

remedies metrics. This revision is similar in structure to the current methodology employed for Tier 2 remedies; however, the proposed revision will provide the remedies directly to the impacted CLECs. AT&T believes that the revised Tier 1 Fee Schedule provides ample incentive for it to continue to provide compliant levels of service and ensure an open market.

3) **Other SEEM Plan Changes** – Other proposed revisions to the SEEM Plan eliminate several provisions that impose penalties on performance for activities that have no impact on the level of service provided to the CLEC. Thus AT&T proposes elimination of: a) the \$1,000 per day fine for late payments due the Commission (AT&T notes that the elimination of Tier 2 remedies makes the late payment charge unnecessary.); and b) the \$400 per day fine for reposting SQM reports. The Company corrects inconsistencies in the posted SQM performance reports as quickly as possible, and states that it should not be penalized for this; c) the automatic penalty of \$2,000 per day for the late posting of SQM Reports. Late posting has not occurred in the last six years in the Southeast region.

4) **Miscellaneous Changes** – There are other proposed modifications, additions, and deletions to the Plan: a) administrative changes for clarity; and b) an administrative change in both the SQM and SEEM Plan permitting non-substantive administrative changes to be made without a formal Commission review (Written notice of such changes would be provided to the Commission. The changes in this category would include correcting typographical, spelling, grammatical, or computational errors, updating website addresses, and incorporating modifications to

architecture implemented in an OSS release following the approved Change Management process); c) elimination of the annual review requirement (A review may still be held at the request of either party.); and d) restructuring of the SQM Plan so that it is independent from the SEEM Plan. AT&T is seeking approval for the proposed SQM/SEEM Plan throughout AT&T's nine-state southeast region. AT&T South Carolina therefore requests that the Commission accept and approve the proposed SQM/SEEM Plan as a whole, without any change or conditions, as well as the AT&T- CompSouth Settlement Agreement.

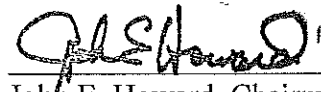
We have examined these matters, and note that there is no opposition to the proposed changes from any party. Accordingly, we approve the changes as filed, and also approve the AT&T-CompSouth Settlement Agreement as requested by AT&T. We believe that the changes reasonably update the performance measures and remedies contained in the original document. The SQM/SEEM Plan approved herein supersedes and replaces the current SQM/SEEM Plan currently on file with this Commission. The Company shall file the completed updated Plan with this Commission, and provide a copy of it to all parties of record in this case, including the Office of Regulatory Staff.

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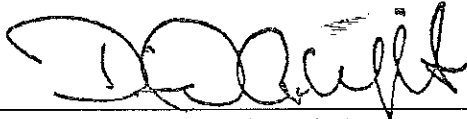
This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:



John E. Howard, Chairman

ATTEST:



David A. Wright, Vice Chairman

(SEAL)